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SUMMARY RECORD OF THE 47th MEETING

Chairman: Mr. DINU (Romania)

later: Ms. ROTHEISER (Vice-Chairman) (Austria)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 7 p.m.

AGENDA ITEM 114: UNITED NATIONS PENSION SYSTEM (continued) (A/C.5/47/L.6)

1. Mr. KARBUCZKY (Hungary) said that the text of the draft resolution on the United Nations pension system contained in document A/C.5/47/L.6 was the result of extensive consultations. Parts I, II, V and VII were based largely on the draft annexed to the report of the Joint Staff Pension Board (A/47/9). Part VII reflected the suggestion by delegations that future reports of the Secretary-General should try to relate investments to benchmark figures. Parts III and IV were based on the report of the International Civil Service Commission (A/47/30) and reflected a compromise. He drew particular attention to part III, paragraph 4.

2. Draft resolution A/C.5/47/L.6 was adopted.

AGENDA ITEM 108: ADMINISTRATIVE AND BUDGETARY COORDINATION OF THE UNITED NATIONS WITH THE SPECIALIZED AGENCIES AND THE INTERNATIONAL ATOMIC ENERGY AGENCY (continued) (A/C.5/47/L.9)

3. Mr. TEIRLINCK (Belgium), introducing draft decision A/C.5/47/L.9, said that, in the second line of paragraph (b) of the French version, the word "rendu" should be replaced by "tenu".

4. Draft decision A/C.5/47/L.9, as orally revised, was adopted.

AGENDA ITEM 110: PATTERN OF CONFERENCES (continued) (A/C.5/47/L.11)

5. Mr. KABIR (Bangladesh) said that draft resolution A/C.5/47/L.11, entitled "Pattern of conferences", represented the agreement reached following a paragraph-by-paragraph review of the proposed text, which had been based on decisions and recommendations of the Committee on Conferences, statements made during the general debate and proposals received from delegations. The resolution contained four sections: section A related to the calendar of conferences and meetings; section B concentrated on the control and limitation of documentation; section C covered the work of the Committee on Conferences; section D covered the provision of conference services. During the informal consultations, it had been decided to recommend the adoption of the draft resolution by consensus.

6. Draft resolution A/C.5/47/L.11 was adopted.

7. Mr. TEIRLINCK (Belgium), drawing attention to section A, paragraph 1, of the draft resolution, in which the draft revised calendar of conferences and meetings was approved, suggested that the dates for the substantive session of the Commission on Sustainable Development, currently scheduled to meet after the Economic and Social Council session for 1993, should be changed. Since the Commission was a subsidiary body of the Economic and Social Council,

(Mr. Teirlinck, Belgium)

unless its session was rescheduled, a full year would pass before its activities could be reviewed.

AGENDA ITEM 104: PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

Programme budget implications of draft resolution A/47/L.25/Rev.1 concerning agenda item 141 (A/C.5/47/72)

8. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the programme budget implications of draft resolution A/47/L.25/Rev.1, on emergency international assistance for the reconstruction of war-stricken Afghanistan. The draft resolution requested the Secretary-General to undertake activities related to the continued operation and further strengthening of humanitarian and economic assistance programmes to Afghanistan currently being carried out by the Office for the Coordination of the United Nations Humanitarian and Economic Assistance Programmes relating to Afghanistan (UNOCA). UNOCA had been integrated into the Geneva office of the Department of Humanitarian Affairs and renamed the United Nations Office for the Coordination of Humanitarian Assistance to Afghanistan (UNOCHA). Activities relating to UNOCHA would continue to be funded from extrabudgetary resources.

9. The draft resolution requested the Secretary-General to convene a conference of donor States and international financial institutions. The related costs would be met from within the Organization's permanent conference sevicing capacity and no additional resources would be required under section 41 of the programme budget for 1992-1993.

10. The draft resolution also invited the Secretary-General to continue to monitor the situation in Afghanistan and to make available his good offices as required. At its forty-sixth session, the General Assembly had approved appropriations for activities in 1992 related to the situation in Afghanistan on the basis of a statement of programme budget implications of the draft resolution subsequently adopted as resolution 46/23. Specifically, an amount of $6,438,800 had been approved for the Office of the Secretary-General in Afghanistan and Pakistan (OSGAP) under section 2 of the programme budget for 1992-1993.

11. In the light of the new situation in Afghanistan, the Secretary-General believed it appropriate to streamline OSGAP and to consolidate the administrative arrangements of OSGAP and UNOCHA, whose name, structure and terms of reference were being amended. They would remain under the direct supervision of his personal representative, who would also be the coordinator of humanitarian assistance to Afghanistan. For that purpose, it was proposed to provide an Assistant Secretary-General post from the Afghanistan Emergency Trust Fund and to reduce Professional posts at UNOCHA from 24 to 16 and locally recruited staff from 81 to 51. The requirements of OSGAP in 1993 were

(Mr. Mselle)

estimated at $1,416,000. Taking into account the projected savings of $508,000 in 1992 the estimated requirements of 1993 could be adjusted to $908,000. The programme budget for 1992-1993 included no provision for the continuation of OSGAP, and the Secretary-General did not anticipate that the estimated additional costs could be absorbed.

12. Should the General Assembly adopt the draft resolution, additional net resources of $908,000 would be required under section 2 of the programme budget. In addition, $124,000 would be required under section 36, offset by the same amount under income section 1. According to the Secretary-General, the additional requirements were of an extraordinary nature relating to the maintenance of peace and security, and should be treated outside the procedures for the contingency fund.

13. The Advisory Committee doubted that the proposed staffing of 14 posts for OSGAP would be fully used in view of the current operational limitations to monitor the situation in Afghanistan from Islamabad. In view of the prevailing situation, it was unclear when the Secretary-General might decide that it was safe for United Nations staff to return to Kabul. Furthermore, the Advisory Committee was not fully convinced of the need for consultants, taking into account that no consultancy services were required in 1992. It was also not fully convinced of the need to provide for rental of premises in Kabul and for repairs, maintenance and utilities, in view of the uncertainty of a move to Kabul in January 1993 and the fact that the Government of Afghanistan had so far provided office premises free of charge.

14. Regarding the proposed provision of $245,000 for cost-sharing of the aircraft currently operated by UNOCHA and UNMOGIP in 1993, some costs could be absorbed by the aircraft budgeted under UNMOGIP, resulting in additional savings. Supplies, services and rental would also be affected by the operational limitations of OSGAP.

15. The Advisory Committee believed that a number of savings were possible, taking into account the operational limitations of OSGAP, and therefore recommended that the Fifth Committee should inform the General Assembly that an additional appropriation of $800,000 would be required under section 2 of the programme budget for 1993 and $124,000 under section 36, offset by the same amount under income section 1.

16. Mr. GHAFOORZAI (Afghanistan) said that his delegation would have been better satisfied if the Secretary-General had proposed less drastic reductions in his statement on the programme budget implications of draft resolution A/47/L.25/Rev.1 (A/C.5/47/72). If the General Assembly adopted the draft resolution, the Secretary-General would be invited to continue to monitor the overall situation in Afghanistan and make available his good offices as required. In order to accomplish that mandate, the Secretary-General had proposed the continuation of one post at the P-5 level for the Senior Political Affairs Officer, who would represent the Personal Representative of

(Mr. Ghafoorzai, Afghanistan)

the Secretary-General and also advise the Personal Representative and the Director of the United Nations Office for the Coordination of Humanitarian Assistance to Afghanistan (UNOCHA) on political matters and report on political developments in Afghanistan to the Department of Political Affairs and the Department of Humanitarian Affairs at Headquarters. His delegation would have been pleased if the Secretary-General had suggested the appointment of a special assistant to the Senior Political Affairs Officer.

17. His delegation wished to know whether, should the Government of Afghanistan at a later date request the Secretary-General to expand the area of United Nations monitoring in the light of political developments in Afghanistan, additional officials could be appointed to strengthen the Office of the Secretary-General in Afghanistan and Pakistan (OSGAP).

18. Mr. MICHALSKI (United States of America) asked whether the Secretariat had followed up the findings of the internal audit report that had been leaked to the press in 1991, findings which alleged fraud and mismanagement in the Office for the Coordination of United Nations Humanitarian and Economic Assistance Programmes relating to Afghanistan (UNOCA). The Secretariat should inform the Committee whether any measures had been taken to correct the problems that had been identified. His delegation also wished to know whether a proper workload study had been conducted to determine whether the staff requirements of OSGAP and UNOCHA requested by the Secretary-General were adequate or over-generous.

19. His delegation regretted that the Committee was faced with a statement of programme budget implications just a few days before the completion of its work, when all it could do was to rubber-stamp the budget add-ons for the Secretariat. His delegation had always objected to that practice, which diminished the credibility of the Committee and the General Assembly as a whole.

20. Mr. JADMANI (Pakistan) said that his delegation had taken note of the Secretary-General's efforts to focus on the grave situation in Afghanistan by launching his consolidated appeal for emergency humanitarian assistance for that country. It was essential to provide United Nations agencies with the necessary resources to meet the emergency needs of the Afghan people. He hoped that the Secretary-General, through the proposed conference of donor States and international financial institutions, would be able to generate sufficient financing for UNOCHA and OSGAP.

21. While his delegation had taken note of the reductions proposed by the Secretary-General and the Advisory Committee, it understood that additional financing would be forthcoming if the needs of the programme so required.

22. Mr. BAZABIDILA (Congo) said that, according to footnote (a) to table 1 of the annex to document A/C.5/47/72, "significant savings in salaries and common staff costs" had "resulted from vacancies among the authorized international

(Mr. Bazabidila, Congo)

staff (6 in the category of Professionals and above, 6 General Service and 11 Field Service posts)". His delegation wished to know the reasons for those vacancies.

23. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), responding to the question raised by the representative of the United States, said that the Secretariat had not conducted a workload analysis, but had accepted the Secretary-General's reasons for reducing the number of posts. The Secretariat assumed that, if the workload was greater than the number of posts would warrant, the Secretary-General would probably have retained a larger number of posts than he was proposing for 1993.

24. Replying to questions raised by the representatives of Afghanistan and the Congo, he said that, as far as the Advisory Committee was concerned, if the Secretary-General found that he needed additional resources, and depending on developments in Afghanistan between January and December 1993, there was nothing to prevent the Secretary-General from following normal procedure in relation to additional commitments.

25. Mr. BAUDOT (Acting Controller) said that, in addition to the procedure for unforeseen and extraordinary expenses, it would also be possible to redeploy posts temporarily if the situation in Afghanistan so required. While the Secretariat had not carried out a workload analysis, the Secretariat had examined requirements extremely carefully. Replying to the representative of the United States, he said that there had been a follow-up to the internal audit, which had indicated that the problems were not as serious as the Secretariat had thought. With regard to the question of vacancies, he explained that some posts had been left vacant in order to ensure a smooth transition from the United Nations Humanitarian and Economic Assistance Programmes relating to Afghanistan (UNOCA), which was being phased out, to the newly established United Nations Office for the Coordination of Humanitarian Assistance to Afghanistan (UNOCHA).

26. The CHAIRMAN suggested that, in the light of the statement of programme budget implications submitted by the Secretary-General and the recommendations of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should it adopt the draft resolution contained in document A/47/L.25/Rev.1, an additional appropriation of US$ 800,000 would be required under section 2 (Peace-keeping operations and special missions) of the programme budget for the biennium 1992-1993 for the implementation of the activities called for in paragraph 7 of the draft resolution. In addition, an amount of US$ 124,000 would be required under section 36 (Staff assessment), to be offset by the same amount under income section 1 (Income from staff assessment).

27. It was so decided.

Programme budget implications of draft resolution A/47/L.34 concerning agenda item 36 (A/C.5/47/73)

28. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the programme budget implications of draft resolution A/47/L.34, relating to the situation in Central America, as submitted in document A/C.5/47/73.

29. The requests contained in the draft resolution, which the Secretary-General enumerated in paragraph 1, related to good offices and peacemaking; the Secretary-General proposed to implement them in the manner described in paragraph 4. He also stated that that would require the continuation of the two posts, one P-5 and one General Service, approved for 1992 by the General Assembly in the context of its adoption of resolution 46/109 on the situation in Central America. The related costs of the posts and common staff costs amounted to US$ 155,200. The Secretary-General stated that frequent travel to the Central American region was inevitable in the context of the Secretary-General's participation in the peace efforts. However, it was not possible to predict the requirements at the current stage, and additional requirements in that respect, if any, would be met through the provisions of General Assembly resolution 46/187 on unforeseen and extraordinary expenses in 1992-1993.

30. In the Secretary-General's view, the activities pursuant to the draft resolution were of an extraordinary nature, relating to the maintenance of peace and security, and should therefore be treated outside the procedures related t the contingency fund. Accordingly, the Secretary-General estimated that, should the General Assembly adopt the draft resolution, an additional appropriation of US$ 155,200 would be required under section 2 of the programme budget for 1992-1993. Moreover, an additional appropriation of US$ 40,100 would be required under section 36, to be offset by the same amount under income section 1.

31. The Advisory Committee concurred in the approach recommended by the Secretary-General and had no objection to the additional requirements of US$ 155,200. Accordingly, should the General Assembly adopt draft resolution A/47/L.34, an additional appropriation of US$ 155,200 would be required under section 2 (Peace-keeping operations and special missions). Moreover, an additional appropriation of US$ 40,100 would be required under section 36 (Staff assessment), to be offset by the same amount under income section 1 (Income from staff assessment).

32. The CHAIRMAN suggested that, in the light of the statement of programme budget implications submitted by the Secretary-General and the recommendations of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/47/L.34, an additional appropriation estimated at US$ 155,200 would be required under section 2 of the programme budget for the biennium 1992-1993, on the understanding that those requirements would be treated outside the procedures related to the

contingency fund. Moreover, an additional appropriation of US$ 40,100 would be required under section 36 (Staff assessment), to be offset by the same amount under income section 1 (Income from staff assessment).

33. It was so decided.

Programme budget implications of draft resolutions A/47/L.29, L.31, L.32, L.44 and L.45 concerning agenda item 33 (A/C.5/47/74)

34. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the requirements for implementing the various resolutions before the General Assembly were summarized in paragraphs 16 to 20 of the Secretary-General's statement (A/C.5/47/74) and were indicated by section in the table in paragraph 20. As could be seen from that paragraph, the requirements for regular activities of the Special Committee against Apartheid amounted to US$ 438,000 in 1993. The estimated cost of special projects was set at US$ 567,500 and of grants to national liberation movements at US$ 384,000. The total requirements for 1993 therefore amounted to US$ 1,389,500. However, the Secretary-General indicated that an amount of US$ 1,500,900 was already provided for in the budget to cover those requirements. In paragraph 21, the Secretary-General indicated that no additional appropriations would be required. The Committee might wish to inform the General Assembly that, should it adopt draft resolutions A/47/L.29, L.31, L.32, L.44 and L.45, no additional appropriations would be required under the programme budget for the biennium 1992-1993.

35. Ms. Rotheiser (Austria), Vice-Chairman, took the Chair.

36. The CHAIRMAN suggested that, in the light of the statement of programme budget implications submitted by the Secretary-General (A/C.5/47/74) and the recommendations of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should it adopt draft resolutions A/47/L.29, L.31, L.32, L.44 and L.45, no additional appropriations would be required under sections 31, 37 or 41 of the programme budget for the biennium 1992-1993.

37. It was so decided.

Programme budget implications of draft resolution A/C.2/47/L.67 concerning agenda item 90 (A/C.5/47/75)

38. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the General Assembly had considered the matter under discussion at its previous session, and that the activities referred to in the draft resolution were similar to those approved by the Assembly in its resolution 46/150. Slightly more than $390,000 had been appropriated under that resolution for 1992. For 1993, the Secretary-General requested an additional amount of $247,700. The Advisory Committee concurred with that request and recommended that the Fifth Committee should inform the General

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Assembly that, should it adopt draft resolution A/C.2/47/L.67, an additional non-recurrent appropriation of $247,700 would be required under section 1 of the programme budget for the biennium 1992-1993.

39. The CHAIRMAN suggested that, in the light of the statement of programme budget implications submitted by the Secretary-General (A/C.5/47/75) and the recommendations of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/C.2/47/L.67, an additional non-recurrent appropriation of $247,700 would be required under section 1 of the programme budget for the biennium 1992-1993.

40. It was so decided.

Programme budget implications of draft resolution A/C.2/47/L.82 concerning agenda item 78 (a) (A/C.5/47/76)

41. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the draft resolution dealt with the follow-up to the eighth session of the United Nations Conference on Trade and Development (UNCTAD). Under the terms of the draft resolution, the General Assembly would take the actions outlined in paragraphs 2 (a) to (f) of the statement of programme budget implications submitted by the Secretary-General (A/C.5/47/76). The statement dealt with the conference-servicing requirements of the UNCTAD calendar of meetings for the biennium 1992-1993. Prior to the holding of the eighth session, the costs of servicing the Conference's intergovernmental machinery, the details of which were provided in annex I of document A/C.5/47/76, had been estimated at $23,991,700; following that session, the estimates had been revised to $21,991,200. Since the UNCTAD calendar of meetings had already been provided for in the programme budget for the biennium 1992-1993, the adoption of draft resolution A/C.2/47/L.82 would not entail any additional appropriations under the regular budget.

42. The CHAIRMAN suggested that, in the light of the statement of programme budget implications submitted by the Secretary-General (A/C.5/47/76) and the recommendations of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/C.2/47/L.82, no additional appropriation would be required during the biennium 1992-1993.

43. It was so decided.

Revised estimates under section 31: Establishment of seven United Nations interim offices (continued) (A/C.5/47/58; A/C.5/47/CRP.3/Rev.1)

44. The CHAIRMAN suggested that the Fifth Committee should recommend to the General Assembly that it request the Secretary-General to resubmit, at the resumed forty-seventh session, a complete report on the establishment and operation of the seven United Nations interim offices, including staffing, project implementation and integrated budget with full sources of financing,

(The Chairman)

in accordance with the relevant resolutions and decisions of the competent United Nations bodies regarding operational activities and public information activities, and taking into account the views expressed on that issue by Member States in the Fifth Committee during its forty-seventh session.

45. It was so decided.

46. Mr. SPAANS (Netherlands), explaining his delegation's position on the decision just adopted, said that the phrase "competent United Nations bodies" should be understood to include the special session of the Governing Council of the United Nations Development Programme, to be held in February 1993.

Revised estimates under section 28: Centre for Human Rights (continued) (A/C.5/47/71)

47. The CHAIRMAN suggested that the Committee should postpone its consideration of the question pending the outcome of informal consultations.

48. It was so decided.

First programme budget performance report (A/C.5/47/47)

49. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the first performance report of the Secretary-General on the programme budget for the biennium 1992-1993 (A/C.5/47/47).

50. The revised net requirements amounted to $1,978,713,400, which was $38,691,800 more than the initial appropriation approved by the General Assembly in its resolution 46/186. The net increase of $38.7 million resulted from an increase of $58.4 million under expenditure estimates and an increase of $19.7 million under income estimates. The factors upon which the increase was based were explained in paragraph 2 of the Secretary-General's report.

51. Annex I showed a breakdown by section of the appropriation approved in resolution 46/186, including the distribution of the reduction for underutilized balances. The annex also gave a breakdown by section of the effects of the transfers between sections as a result of the restructuring of the Secretariat.

52. Those transfers had resulted in a net increase of $134,500, reflecting transfers of posts between duty stations, thus giving rise to an adjusted appropriation for expenditure sections of $2,389,369,400. That adjusted appropriation did not take into account the reduction which would result from the abolition of high-level posts; in that connection, the Secretary-General stated the following in paragraph 3: "It has been assumed in the present report that the General Assembly will approve the transfers between sections proposed by the Secretary-General in his revised estimates (A/C.5/47/2 and

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Corr.1) but will postpone action on the question of high-level posts addressed therein as proposed in the note by the Secretary-General on the restructuring and revitalization of the United Nations in the economic, social and related fields (A/47/753)".

53. In paragraph 4 the Secretary-General stated that he had, in order to allow for a review of past and projected performance under all sections of the budget, set the increases and decreases attributable to the traditional factors (namely, decisions of policy-making organs, other changes, inflation and exchange-rate fluctuations and adjustments to standard costs) against the adjusted appropriation. The Advisory Committee noted that it was for that reason that the total increases shown in tables 1, 2 and 3, in respect of both expenditure and income sections, were different from those in paragraph 1. The Advisory Committee had been informed that, in fact, the transfers which related to the sum of $134,500 now appeared unlikely. However, pending further action on the restructuring, the structure as shown in the revised estimates and annex I of the performance report had been maintained.

54. The elements constituting the increase in requirements were summarized in table 1 of the Secretary-General's report. As shown therein, an increase of $1.6 million was the result of decisions of policy-making organs.

55. A decrease of $7.7 million was shown in respect of exchange-rate fluctuations. In that connection, the Advisory Committee noted that, as stated in paragraph 10, the decrease reflected a general strengthening during the second half of the year in the exchange rate of the United States dollar against most other currencies.

56. Inflationary increases had totalled $37 million. In that connection, the Secretary-General stated in paragraph 8 that the increase in inflation had been partially offset by the $7.7 million decrease due to exchange-rate fluctuations, resulting in a net increase of $29.2 million.

57. Adjustments to standard costs had given rise to an increase of $24.1 million, as discussed in paragraphs 16 and 17 of the Secretary-General's report. As shown in paragraph 16, changes in the percentage rates of common staff costs accounted for $21.8 million of the total increase under adjustments to standard costs. The proposed common staff cost percentage rates were shown in schedule 5 of the Secretary-General's report.

58. The Advisory Committee noted that the experience in 1992 had resulted, for many duty stations, in a higher rate than had been used in the initial appropriation. On the other hand, the rates proposed by the Secretary-General for 1993 were, in respect of Geneva, Vienna, Nairobi, Rome and Kingston, lower than the rates experienced thus far in 1992.

59. The Advisory Committee had been informed that it was anticipated that the 12-month experience in 1992 would, in those cases, result in lower rates than those shown for the nine months.

60. The Advisory Committee intended to keep the matter under review; it therefore requested the Secretary-General to report on the rates resulting from the entire 12 months of 1992 in the context of his proposed programme budget for the biennium 1994-1995.

61. The Advisory Committee noted from paragraph 17 of the Secretary-General's report that, with regard to the Economic and Social Commission for Western Asia (ESCWA), a reduction of some $5.1 million was recorded in section 27 under adjustments to standard costs. The Advisory Committee had been informed that because of the difference in costs between Baghdad and Amman, salary costs had decreased considerably; however, because of the relocation of ESCWA, common staff costs had increased, thereby resulting in the net reduction of $5.1 million.

62. The rise in common staff costs for ESCWA was shown in schedule 5, where the experience for the period 1 January to 30 September 1992 had resulted in a rate of 90.1 per cent, as compared with the budgeted rate of 44 per cent. The proposed rate for 1993 was 93.1 per cent. The Advisory Committee had questioned the basis for that rate and had been informed that it was based on the possibility of a relocation from Amman.

63. The Advisory Committee recommended that the Fifth Committee should approve the Secretary-General's revised requirements, namely, $2,447,640,500 under expenditure sections and $468,927,100 for income sections, resulting in net revised requirements of $1,978,713,400, which was $38,691,800 more than the initial appropriation.

64. In so stating, however, the Advisory Committee pointed out that the adoption of the revised estimates on the basis of the structure shown in annex I was without prejudice to the further review of that structure by the General Assembly.

65. In that connection, the Advisory Committee reiterated what it had stated in its report on the prototype of a new budget format (A/47/7/Add.9), namely, that a balance must be struck in the volume of resources to be administered by programme managers between the flexibility required by the Secretary-General and the need for adequate legislative security and control.

66. Mr. NA CHAMPASSAK (Australia) said that, as his delegation had received document A/C.5/47/47 only a short time earlier, it requested that the statement by the Chairman of the Advisory Committee should be circulated to all the members of the Committee and that the Committee should postpone its consideration of the question to a later meeting.

67. Mr. STITT (United Kingdom) said that he shared the concern expressed by the previous speaker with regard to the late issuance of the Secretary-General's report. His delegation was also concerned at the report's treatment of the issue of exchange-rate fluctuations; he drew attention, in that connection, to document A/46/484, to which the United Kingdom attached importance.

68. Mr. MICHALSKI (United States of America) said that his delegation, too, was still studying document A/C.5/47/47. The United States would be unable to approve the revised requirement proposed by the Secretary-General for reasons relating to the issue of staff assessment. His Government had received no satisfactory reply from the Secretariat to its repeated expressions of concern on that subject. The programme budget approved in 1991 had projected that income from staff assessment would amount to $380 million. One year later, the revised estimate was approximately $400 million. At the same time, the Organization's total expenditure budget was being increased by approximately $280 million, or 13 per cent. The figure of $400 million for staff assessment represented an outlay by the United States of $100 million for the biennium 1992-1993. The money would be used to reimburse United States nationals employed by the United Nations for their local, state and federal income taxes. During the biennium 1992-1993, the tax reimbursements to be financed by the United Nations would total approximately $75 million, resulting in a surplus of $25 million, which would be added to the already substantial balance in the Tax Equalization Fund. The Secretariat was using staff assessment and the Tax Equalization Fund to exact unnecessary contributions from his Government. Not only was the tax reimbursement system inequitable, in that it required Americans living in poverty to pay taxes so that highly paid Secretariat officials could be reimbursed for the taxes paid on their outside income, but it was also being used to create a budgetary surplus to cover so-called legitimate expenses of the Organization.

69. His delegation would be grateful if the Secretariat could provide, as soon as possible, estimates of the amount of the tax reimbursement for the biennium 1992-1993 which would be financed from the $100 million to be collected from the United States in staff assessment, the current balance in the Tax Equalization Fund and the projected balance as at 31 December 1992. His Government would use that information to seek the return of any surplus in the fund which it might be owed. Lastly, his delegation wished to know whether the Advisory Committee had analysed the justifications for the increase proposed in document A/C.5/47/47. If the United States did not receive satisfactory answers to its inquiries, it would take unilateral action.

70. Mr. MERIFIELD (Canada) said that his delegation was not prepared to take a decision on document A/C.5/47/47 at the current meeting.

71. The CHAIRMAN said that the information requested by the United States representative would be provided at a later meeting and suggested that the Committee should defer its consideration of the question.

72. It was so decided.

AGENDA ITEM 147: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991

Final appropriations for the biennium 1990-1991 (A/C.5/46/46/Add.1; A/C.5/47/77)

73. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the General Assembly, by its resolution 46/184 C, had approved appropriations in a total net amount of $1,767,318,300 - an increase of $15 million over the amount approved in resolution 45/252. In addition the Assembly had provided that a net amount of up to $13,867,100 might be committed in respect of the regular budget for the biennium 1990-1991 with the prior concurrence of the Advisory Committee, a mechanism intended to enable the Committee to determine the actual level of commitments after review of any additional information justifying any such commitment.

74. In March 1992 the Secretary-General, in his report on the budget performance in respect of the financial period 1990-1991, had informed the Advisory Committee that he had entered into commitments in a net amount of $11,971,200. The Committee had noted from that report that the final expenditure outcome included an amount of some $55.8 million in unliquidated obligations. Based on its previous experience that up to 20 per cent of unliquidated obligations were surrendered, the Committee had not thought an assessment to be necessary at that time in respect of the commitments.

75. In order to review the necessity for an additional appropriation, the Committee had requested an updated report on the status of unliquidated obligations for the biennium 1990-1991, but the information in the status report had not convinced the Committee that its concerns with regard to unliquidated obligations had been adequately addressed.

76. The Secretary-General's report on the final appropriations for the biennium 1990-1991 (A/C.5/47/77, para. 4) indicated that of the total of $11,971,200 already committed, an anticipated reduction of $3 million in unliquidated obligations would leave a net amount of $8,971,200 to be appropriated and assessed on Member States in 1993. The Secretary-General also stated (para. 5) that within the amount of $8,971,200 there were several items, totalling $1.5 million, where it was already known that delivery of goods or services under the terms of the contracts would not be made before the end of the year.

77. The Secretary-General was requesting that, on an exceptional basis, the period stipulated in financial regulation 4.3, 31 December 1992, should be extended to 31 December 1993 in respect of unliquidated obligations from the 1990-1991 biennium in an amount of $1.5 million. Nevertheless, the Advisory Committee was recommending that those unliquidated obligations should be cancelled and reobligated to the 1992-1993 programme budget.

(Mr. Mselle)

78. The Committee did not believe that sufficient effort had been made to deal with the question of unliquidated obligations, and, accordingly, was also recommending that the balance of $7,471,000 should not be approved for appropriation and assessment upon Member States for the biennium 1990-1991, and that a final determination of the level of additional appropriations, on an ex post facto basis if necessary, should be reviewed at the resumed forty-seventh session.

79. Mr. MERIFIELD (Canada) proposed that the matter should be deferred until the Committee could receive and consider a written report from the Advisory Committee.

80. Mr. MICHALSKI (United States of America) said that his delegation wanted to be quite clear that no funds were being appropriated at the current stage, since any additional expenditure for the biennium 1990-1991 should be absorbed.

81. The CHAIRMAN confirmed that there were no additional appropriations.

82. Mr. INOMATA (Japan) agreed that the matter should be deferred. His delegation had noted the contents of paragraph 4 with some concern. Regarding the statement that it was likely that there would be global savings in the liquidation of obligations which would normally be returned to Member States after the accounts for the current biennium had been closed and audited, he asked whether the Secretary-General could surrender any amount at the end of 1992, by which time 12 months would have elapsed since the end of the biennium in question.

83. Mr. NA CHAMPASSAK (Australia) said that his delegation needed time to consider the question of appropriations on an ex post facto basis, and agreed that it would be better to defer the matter, although it could be concluded at the current session. The text of the Advisory Committee's report should be circulated.

84. Mr. IRUMBA (Uganda) agreed that it was difficult to proceed without a written statement from the Advisory Committee. Those who advocated cuts in conference-servicing resources should note the problems that arose from such an approach.

85. Mr. MICHALSKI (United States of America) noted with satisfaction that no mention had been made of upgrading the tourist area in the Headquarters building, as had been proposed at the forty-sixth session.

86. The CHAIRMAN said that the Committee would defer its consideration of the matter before it to the following day, when the Advisory Committee's report would be available in writing.

OTHER MATTERS

87. Mr. STITT (United Kingdom) said that his delegation regretted the late issuance of the documentation relating to the appointment of members of the International Civil Service Commission, which the Committee would need to deal with shortly. It might be helpful for the Secretariat to institute a practice of drawing up a table of documentation indicating the dates on which any particular document was finalized, issued and received by the Advisory Committee and the date on which it was possible for the Fifth Committee to consider it. The Committee could not function without the proper flow of documentation.

The meeting rose at 9.35 p.m.